THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY): (a) No, Sir.

(b) Does not arise.

Operation of multinational accounting firms in the country

2300. SHRI C.P. THIRUNAVUKKARASU: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the multinational accounting firms are working in the country and attending auditing work;

(b) if so, the details thereof;

(c) whether Government propose to make stringent rules for such companies to avoid cases like Enron and Arthur Anderson taken place in United States;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY): (a) and (b) As per provisions of the Companies Act, 1956 and the Chartered Accountants Act, 1949, no person shall be entitled to practice unless he is a member of the Institute of Chartered Accountants and has obtained from the Council of the Institute of Chartered Accountants of India a certificate of practice. Violation of these provisions are punishable under the relevant provisions of the two Acts.

(c) to (e) Misconduct by Chartered Accountants/Chartered Accountant firms is punishable under section 21 of the Chartered Accountants Act, 1949. Non compliance of the relevant provisions of Companies Act by them is punishable under section 233 of the Companies Act, 1956. These provisions are considered adequate for the present.